

TRUST BOARD IN PUBLIC		Date: 27th November 2014 Agenda Item: 4.2	
REPORT TITLE:		FOUNDATION TRUST GOVERNANCE PROGRESS UPDATE	
EXECUTIVE SPONSOR:		Michael Wilson Chief Executive	
REPORT AUTHOR:		Gillian Francis-Musanu Director of Corporate Affairs	
REPORT DISCUSSED PREVIOUSLY: (name of sub-committee/group & date)		FT Project Board	
Action Required:			
Approval	Discussion	Assurance (√)	
Summary of Key Issues			
This paper provides the Board with an update on progress for the current milestones of the governance activities for the Foundation Trust application.			
Relationship to Trust Strategic Objectives & Assurance Framework:			
SO5: Well – led			
Corporate Impact Assessment:			
Legal and regulatory implications		<p>The NHS Trust Development Authority (TDA) oversees all aspects of NHS trust performance.</p> <p>The TDA has a key role in supporting NHS trusts to develop their FT application and is responsible for approving all applications prior to submission to Monitor.</p> <p>Monitor, the Independent Regulator of NHS Foundation Trusts, undertakes its own assessment of FT applications to determine whether or not to authorise an NHS trust as a foundation trust.</p>	
Financial implications		NHS foundation trusts are required to comply with Monitors Risk Assessment Framework.	
Patient Experience/Engagement		<p>NHS foundation trusts are membership organisations with a Council of Governors which represents the interests of members of the trust and the public.</p> <p>The Council of Governors holds the non-executive directors to account for the performance of the Board of Directors.</p>	
Risk & Performance Management		NHS foundation trusts operate under licence from Monitor which stipulates any condition under which the trust must operate.	

	Compliance with governance and continuity of service licence provisions is through the Monitor Risk Assessment Framework.
NHS Constitution/Equality & Diversity/Communication	NHS foundation trusts have their own constitution which reflects the requirements of the Health and Social Care Act 2012.
Attachments:	
N/A	

TRUST BOARD REPORT – 27th November 2014

FOUNDATION TRUST GOVERNANCE UPDATE

1. Introduction

This paper provides an update to the Trust Board on progress for each of the outstanding governance milestones and other key activities:

- Inspection by the Chief Inspector of Hospitals
- TDA Board to Board
- Financial Due Diligence review
- Membership recruitment and engagement
- Governor Awareness & Elections
- Draft Constitution
- Continuing implementation of the Board and Quality Governance Assurance
- Frameworks
- Development of the Integrated Business Plan (IBP), Long Term Financial Model (LTFM) and supporting strategies

2. Chief Inspector of Hospitals / CQC Inspection

The Chief Inspector of Hospitals / CQC Inspection took place from 20th May – 22nd May with the Quality Summit taking place on 1st August where the Chief Inspector's Judgement was given to the Trust. The inspection report was published on 6th August 2014 where the Trust was given an overall "Good" judgement. The Trust has agreed an action plan relating to the Improvement required in outpatients and this is reported separately to the Board. The good judgement has enabled the Trust to move forward in the FT application timeline.

3. Trust Development Authority (TDA) Board to Board

The formal Board to Board meeting between TDA and the Trust was held on 20th November 2014 as the final stage of the TDA assessment and approvals phase. The outcome of which will determine the Trust moving forward to the Monitor assessment phase.

The Trust has now received formal letters of support for our FT application from Crawley, Horsham and Mid-Sussex CCGs, First Community Health & Care, CSH Surrey and Sussex Community Trust.

4. Financial Due Diligence

The process for the financial due diligence review is currently being revised by Monitor with details of the likely process and timing not yet known. However, the TDA has confirmed that the Trust will undergo Historical Financial Due Diligence as part of the Monitor assessment phase.

5. Membership Recruitment & Engagement

At the current time of drafting this report overall membership stands at 8,187 against an overall target of 9,500. This includes patient and public membership of

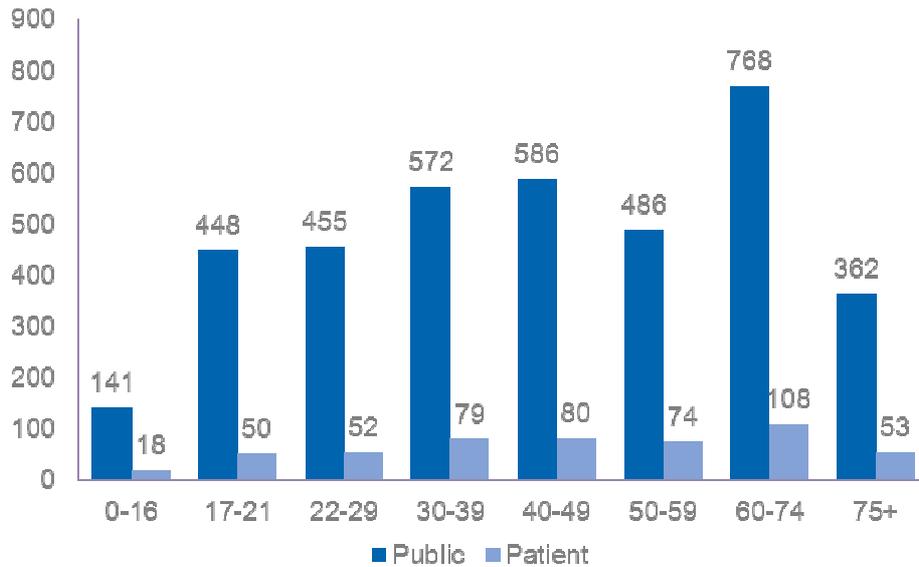
4,555 and staff membership of 3,632 (staff & volunteers). Current analysis of patient and public membership by age, gender and constituency is reported below.

Patient & Public Membership Analysis

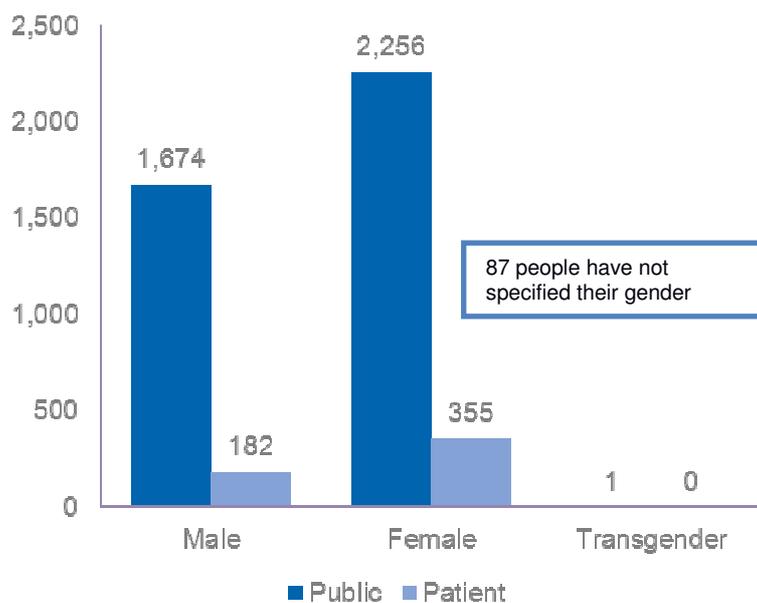
Patients: 546 (out of area)

Public: 4,009

TOTAL 4,555

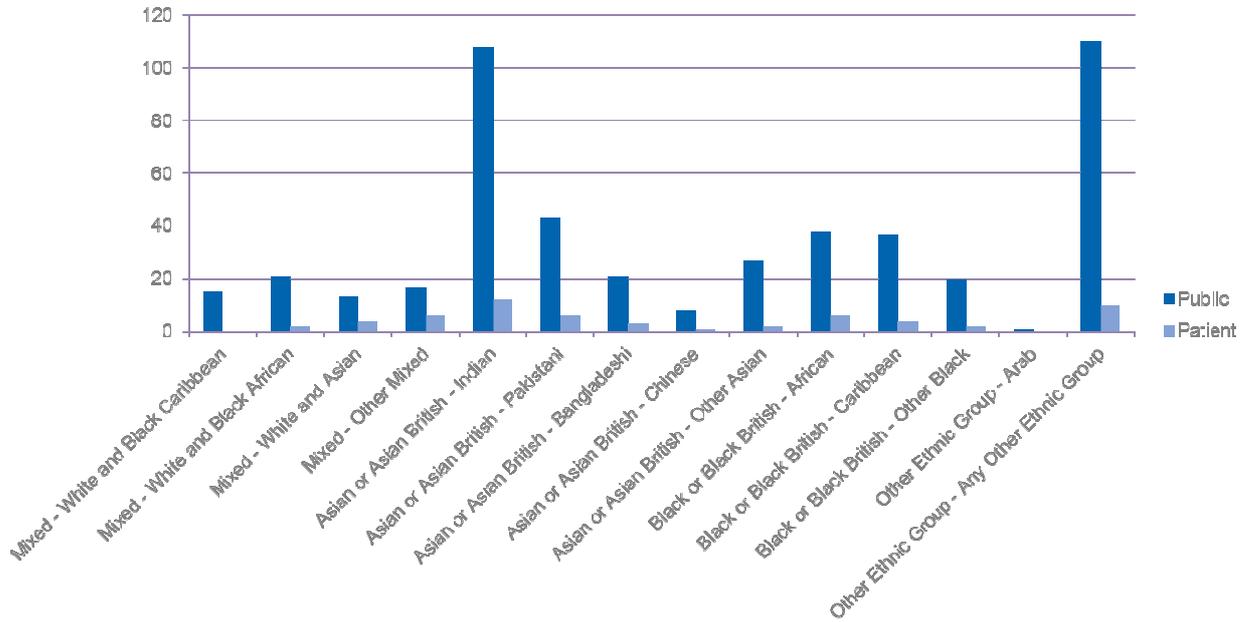


GENDER

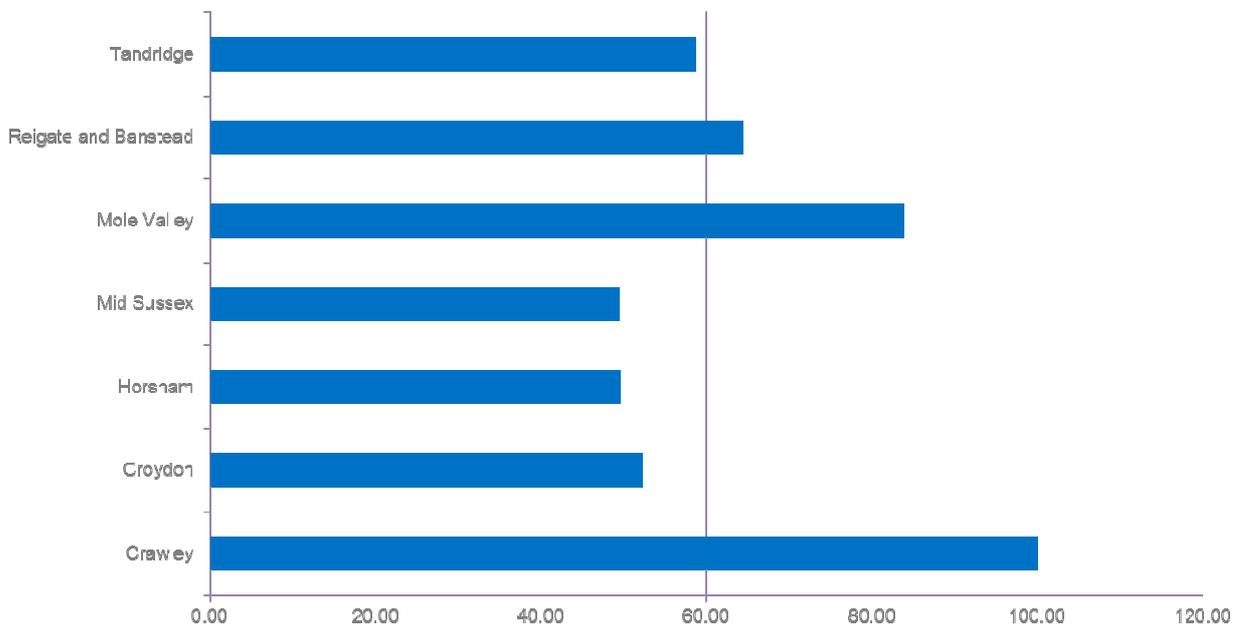


Ethnic Origin

3,805 members are from white backgrounds.
The remaining are from the following backgrounds.



CONSTITUENCIES



Membership recruitment and engagement activities continue and include:

- Targeted recruitment in areas where membership gains are required (Reigate & Banstead, Croydon & Tandridge, Mole Valley & Mid-Sussex)
- Additional governor awareness sessions
- Invitation to members who have expressed an interest in developing outpatient services to join focus group sessions

- A membership engagement plan is being developed which includes increasing membership once FT status has been achieved

6. Governor Awareness Events & Elections

The Trust has run five governor awareness sessions for patients and public with a total of 80+ people attending plus there have been an additional increasing number of enquiries about the Governor role. The Trust has also held specific sessions and provided information for staff.

The Trust is working with Electoral Reform Services to plan Governor Elections. The TDA have confirmed that elections should take place after the formal Board to Board leading into the Monitor assessment phase. The Trust has a provisional election timescale of 55 days for governor elections from December 14 – to the end of February 2015 (subject to TDA approval).

7. Draft Constitution

Following discussions at the last FT Project Board the draft constitution has been updated. As a requirement of submission prior to the TDA board to board in November the Trust sought a legal opinion on the content of the constitution which is based on the Monitor Model Core Constitution. Our legal advisors have confirmed that the current draft is compliant with the NHS Act 2006 (as amended) in respect of the mandatory requirements for an applicant's draft constitution.

8. Board and Quality Governance Assurance Frameworks

Implementation of the action plans for both the Board Governance Assurance Frameworks (BGAF) is on-going. Deloitte has undertaken a re-refresh of the external re-assessment of the Quality Governance Assurance Framework in September/October 2014 with an outcome score of 3.5. An action plan to address the outstanding recommendations has been developed and being implemented to enable the Trust to move further towards a score of 0.

9. Refresh of IBP, LTFM and other key application documents

The IBP and key application documents (including the LTFM, and supporting strategies and appendices) have been updated and submitted to the TDA on 20th October 2014 prior to the formal Board to Board.

10. Summary

The FT governance programme remains on plan with good progress against agreed milestones and other key activities as described above.

Michael Wilson
Chief Executive
27th November 2014